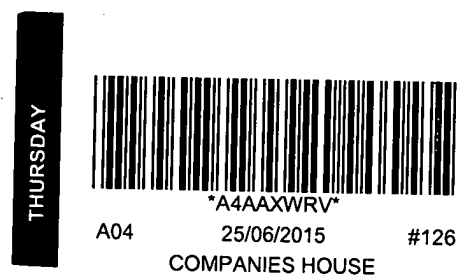


Greenwhitestar UK Plc

Report and Accounts for the period ended 30 November 2014

Company Number: 8922456



The Company is the parent company of the Eddie Stobart Logistics group, which is a leading provider of transport, distribution and contract logistics & warehousing services in the UK and Europe.

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Company Information

Directors

G J Bicknell
M J Branigan
I A Duncan
J Mara
L McIlwee
S Riffner
W Stobart
B M Whawell

Secretary

R H C Nichols FCIS

Bankers

Royal Bank of Scotland Plc
Waterloo Street
Bolton
BL1 8FH

Auditors

KPMG Audit LLC
Heritage Court
41 Athol Street
Douglas
Isle of Man
IM99 1HN

Registered Office

Stretton Green Distribution Park
Langford Way
Appleton
Warrington
WA4 4TQ

Registered in England

with company number 8922456

Highlights

- **Revenue for the trading period, from 10 April 2014 to 30 November 2014, of £394.4m.**
- **Underlying EBITDA before Restructuring costs of £31.0m**
- **Underlying EBIT before Restructuring costs of £25.6m**
- **Successful completion of the transformation to a stand-alone organisation**
- **Investment in new rail-served warehousing facilities in Dagenham and DIRFT to support growth**
- **Significant growth in cross-Channel rail & road freight**
- **New business in the e-commerce, manufacturing and FMCG sectors**

Strategic Report

Acquisition of Eddie Stobart Logistics and Strategic Objectives

Greenwhitestar UK Plc ("Company") was incorporated on 4 March 2014. The Company's immediate shareholder is Greenwhitestar Holding Company 2 Limited, which in turn is owned by Greenwhitestar Holding Company 1 Limited. The ultimate beneficial owners are DouglasBay Capital Fund II LP ("DBay") and co-investors (51%) and Stobart Group Limited (49%).

On 10 April 2014, the Company acquired, through its wholly-owned subsidiary Greenwhitestar Acquisitions Limited, Eddie Stobart Logistics Limited, which is the immediate holding company of the trading companies in the Eddie Stobart Logistics Group. The Company and its subsidiaries are referred to as "the Group"

The Eddie Stobart Logistics Group's strategy is to continue developing the business by increasing its customer base and geographical spread and by driving through greater efficiencies in its core operations, so delivering increased value for its stakeholders. This will be achieved through a combination of the knowledge and expertise from the existing management team, enhanced business development functions and leveraging the skills and experience of its shareholders.

Principal activities

The Eddie Stobart Logistics Group provides transport and distribution services, container handling, contract logistics and warehousing facilities and value-added services, throughout the United Kingdom and in Europe.

With over 2,300 units, 3,200 trailers and 4,800 directly employed employees, operating five rail services and five-and-a-half million square feet of warehousing over 22 sites, Eddie Stobart Logistics meets the distribution and warehousing requirements of many of the UK's leading businesses. The fleet is operated across divisional business units that reflect the specialist nature of different product and customer requirements.

Strategic Report (continued)

General Transport is the largest business unit, comprising a range of services, namely:

- Ambient transport, which is responsible for goods transported at ambient temperature, including food items that require no refrigeration and non-food retail goods
- Fresh and Chilled FMCG Transport accounts for items transported under temperature controlled conditions, which can range from fresh fruit and vegetables to food stuffs that are not frozen but benefit from transport under stable, temperature controlled conditions transported on behalf of the major retailers using refrigerated trailers
- The Soft Drinks business unit carries bottled and canned drinks for such famous brands as Coca-Cola, Britvic and Irn-Bru
- High Volume Transport is made up of a fleet of drawbar combination units, maximising volume capacity for the requirements of its customers, in addition to having a versatile convertible double-decked system within its trailers, many of which are also temperature controlled for use in horticultural deliveries
- Rail Freight, already the largest FMCG rail freight operation in the UK, has had a long and successful operating partnership with retailer Tesco that is now being extended to service the needs of a number of other key customers. Every year this transfers significant volumes of freight from the roads onto low carbon train services along a number of regular routes across the UK

Stobart Automotive works on behalf of most of Europe's leading car manufacturers, its fleet including dedicated car transporters and more versatile semi-trailers that, in partnership with the other fleets, allows greater flexibility in capacity to cope with significant peaks in demand in March and September.

The Contract Logistics & Warehousing business unit operates nearly five-and-a-half million square feet of ambient and fresh warehousing capacity at 22 strategic locations across the UK. Facilities range from specialist and MHRA approved warehouses through large volume ambient facilities operated on a highly flexible and competitive mixed user basis, to Fresh Storage's chilled storage and consolidation facilities located at many of Britain's most desirable storage locations and maintained to benchmark standards.

The Ports and Container Transport business unit is responsible for container handling, transport and port operations, handling 2,600 train movements and 80,000 containers a year through the Mersey Multimodal Gateway (3MG), a major inland port at Widnes, and is also participating in the development of the Mersey Gateway Port at the junction of the Manchester Ship Canal and the River Mersey.

Eddie Stobart Logistics also operates two truckstop sites in Rugby and Carlisle providing depot and associated services to both the Group's own fleet and to external customers.

The establishment of Eddie Stobart Logistics as a stand-alone group

Following the acquisition of the business from Stobart Group Limited, management has been able to establish several dedicated functions that were previously provided to it as part of a larger group, to advance the business and to become self-sufficient on a stand-alone basis.

Advances in fleet and operational technology

The Eddie Stobart Logistics fleet has always been central to the success of the business and for many years Eddie Stobart has been at the forefront of developments in truck and trailer design and the use of technology to generate greater efficiencies that benefit the Group, the customer and the environment.

This focus continues more strongly than ever, with a dedicated fleet department that ensures all business units are provided with resources that are "fit for purpose" and acts as a centre of excellence in this core area of the business. Efficiencies continue to be driven through a variety of initiatives including driver efficiency incentives, customer collaboration, technology implementation, high volume trailers and driver training to promote Safe And Fuel Efficient Driving (SAFED) techniques. Current key initiatives include:

Liquefied Natural Gas (LNG) - developed around a specially commissioned fleet of twenty Eddie Stobart Dual Fuel units, in collaboration with BOC Gases and part-funded by the Technology Strategy Board, the aim of the project is to research and implement dual fuel technology and infrastructure for use in large-scale road haulage. A LNG fuelling station has been erected at Eddie Stobart's Appleton transport hub.

Strategic Report (continued)

Driver Training - the use of SAFED techniques has been proven to deliver reductions in fuel usage. SAFED driving forms one of the core units of the Group's Driver Certificate of Professional Competency (DCPC) training and the programme is delivered in year one of each driver's training programme, reflecting the benefits both to the Group and to the wider environment with the impact being measured via telematics within the fleet.

Fleet Utilisation – one of the primary drivers for efficiency is the maximisation of loaded miles. Eddie Stobart's fleet utilisation figures have long been significantly better than the wider industry standard and further enhancements in this area continue to be investigated. The Group continues to develop its planning capability and associated management information systems to ensure the UK-wide networked fleet continues to operate at its very high utilisation levels, ensuring that empty miles are minimised.

Health & Safety

Health & Safety will always be at the forefront of the business and continues to be a key performance indicator. The team has been boosted by the appointment of a new experienced Head of Health & Safety, leading this key area and formally reporting to the Board.

The Group is investing in new technology that uses cameras set to record the road circumstances immediately before and after a sudden change in speed, triggered by sensing the change in g-forces that might signify that an incident has occurred. This information is streamed live to our traffic office which not only allows an immediate reaction to an event that may assist the emergency services in their response times and actions required when an incident occurs, but also provides evidence around the circumstances of the event.

In the continued drive towards a more positive Health & Safety culture within the Group, the Positive Performance Pyramid has seen tremendous buy-in from operational sites since its re-launch in April 2013. The initiative, which encompasses all Health & Safety performance factors, is designed to ensure that all employees are vigilant in how their role impacts on Health & Safety; the initiative has also helped in the rise of the reporting of near misses on sites during 2014. This initiative has again been refreshed, building on the positive impact it has had since its original launch.

Our highly successful 'Stop Think Act' campaign has been re-launched in 2014 across the business to raise awareness on a much greater scale, the initiative is aimed at reducing accidents and incidents in the workplace with its simplistic approach which is proven to be effective. We believe that this is due to 'Stop Think Act' being designed with a common sense approach encouraging all employees to work in a safe manner. It is not about stopping the job; it is about recognising potentially hazardous situations and taking appropriate action to avoid an accident or incident by following the traffic light principle.

Business processes and compliance

Eddie Stobart Logistics has well established business management systems, covering appropriate policies and procedures, which identify and reduce risk and help to ensure compliance with legal, company and customer requirements. The Group has a robust internal operational audit process to test compliance with these systems, and this is also supported and demonstrated by external accreditation and licensing audits.

Eddie Stobart holds ISO9001 quality management and ISO14001 environmental accreditation for its provision of fleet management services. Stobart Automotive UK has ISO9001 accreditations in place at the head office in Doncaster covering administration management and all management systems and a series of customer-specific ISO9001 accreditations at sites around the UK.

Provision of warehousing and distribution services, including customer-specific requirements within the retail trade, are all accredited to ISO9001. The warehousing business is also European Food Safety Inspection Service (EFSIS) approved for the receipt, storage, order picking and dispatch of chilled and ambient-stable food products at Nottingham and Lutterworth. The Daresbury site is also ISO9001 accredited for the storage, distribution and depot handling of third party goods and also holds a Wholesale Dealer's Licence from the Medicines and Healthcare Products Regulatory Agency (MHRA). Hawleys Lane, Warrington (including the Railhead at Widnes), Sherburn, DIRFT South, Belshill and the Lutterworth ambient site have all achieved the BRC Storage & Distribution Standard. This stringent approval is designed to ensure best practice in the distribution of products, and promotes continuous operational improvement, ensuring customers can have confidence in our supply chain management. Retailers,

Strategic Report (continued)

brand owners, raw material processors and packaging manufacturers support the use of the BRC standard and accept it as part of their supplier approval processes.

Our people are at the heart of our culture

Recognising the importance of our people, a new HR director and new Head of Organisational Development have been recruited as part of the Eddie Stobart Logistics' senior management team. The department has been restructured such that HR operates as an integral partner to the operational teams within the business providing localised services, weekly KPIs and HR statistics ensuring that the business units maintain a focus on the continued engagement and development of our workforce.

The Eddie Stobart Training Academy remains a cornerstone of the Eddie Stobart Logistics Group. It is a Driver Standards Agency (DSA)-approved training centre providing seven multi-media training rooms (approved by the Joint Approvals Unit for Periodic Training), and a large presentation space with a tractor unit and trailer available for practical, hands-on training needs. The academy provides first class training facilities for many aspects of training across the Group, and in particular develops and maintains the high standard of driver training recognised in the Group. Each new driver completes a two day induction course upon joining the business and the DCPC training for existing drivers is also undertaken here. The academy also offers the Licence Acquisition Scheme (LAS), which is an opportunity for individuals to obtain their LGV C and C+E licence and apply for various driving positions throughout the Group.

The success of the Academy, which is now recognised as a benchmark facility within the industry, has resulted in the extension of its remit to encompass a broad spectrum of other courses, including general staff inductions, IT and safety courses and training for warehouse personnel.

A significant portion of Eddie Stobart drivers have recently signed a recognition agreement creating the National Drivers' Forum, which is a body of drivers that meets with senior management on a quarterly basis to discuss business-related issues and to negotiate pay awards and any changes to terms & conditions of employment.

Group functions

The independence of the Group has required the enhancement of the existing teams within central functions. This has strengthened the resources available to the business and streamlines the process of identifying and implementing improvements.

A Chief Information Officer is now in post recognising the significance of continually improving systems and technology to the advancement of the business.

Group finance and treasury functions are managed by the Chief Financial Officer. Additional finance and treasury resources have been recruited. Treasury dynamically manages cash positions within the Group to maximise efficient use of capital. A new procurement regime is also being established to ensure optimum value for money is received from suppliers.

A Company Secretary/Legal Director has been appointed to have an overall Board level responsibility for governance, risk management and compliance, bringing together Human Resources, Health & Safety, Risk and Insurance, Internal Audit & Business Systems, Facilities & Property management and Legal & Corporate Affairs.

Business Risks

The Group is exposed to risks as a result of the internal and external environment. The Board operates a process to develop and maintain an internal risk register which it uses to identify and manage risks. A summary of the more significant risks specific to the Group's operations and industry is outlined below.

Incident Management - the Group currently operates an electronic accident management system. This provides accident, incident and near miss reporting, which provides the information required to manage this risk and improve controls, both to reduce the number of events in the future and to mitigate the financial cost of past events.

Strategic Report (continued)

Information Technology - business operations are supported by various information systems including a data centre, cloud and on premise solutions. Data is replicated and backed-up; supported by both external service providers and an in-house IT team. Documented protocols and risk assessments are in place, along with service level agreements with key suppliers. These are supported by an IT Business Continuity Plan to ensure risk is mitigated. It is recognised that cyber security has an increasing threat profile within the corporate environment. Our response has been to focus on practical measures commensurate with the perceived threat and our status operating in non-regulated environment. The approach is a balance of working with ISO 27001-accredited partners, for the location of our core business data and IT assets and development of policy and procedures to promote awareness of the potential threats. The Group's IT Code of Conduct is used to create awareness of security standards and best practice behaviour, whilst other software-driven policy is enforced via device lockdown, enforced password security, multi-layered mail scanning, updated AV products and corporate grade data centre firewalling. The Group continues to monitor the information security market space to maintain awareness of current and developing threats in order that we can respond accordingly.

Consumer Confidence – the Group provides a significant proportion of its services to UK retailers and its volumes may therefore be subject to fluctuations due to changes in the level of consumer spending. However, due to the nature of much of the underlying products, changes to the level of demand have not been as sensitive to general economic and consumer spending conditions. Whilst it would be impossible to mitigate this risk entirely, through its systematic fleet programme, the use of a proportion of agency drivers in addition to its own employed workforce and purchase of sub-contract services, the Group retains a significant level of flexibility of resource in order to cope with both short term and medium term fluctuations in demand.

Seasonality and Abnormal Weather – some of the Group's operations are seasonal. For example, several divisions experience an increase in demand at Christmas, whilst the Automotive division experiences significant peaks in March and September. The Group's diversity has facilitated the creation of an advantage through this seasonality by developing equipment that allow resource to be shared between divisions and therefore re-directed as the seasons require. This mitigates the cost of seasonality in each business and therefore should allow the Group to reduce its cost-base of reacting to this risk relative to its competitors. Extreme weather can disrupt the business and pre-emptive controls have been introduced to mitigate such risks, such as stockpiling grit for use at depots. In addition, staff are issued with standing guidelines and briefings are updated appropriately to advise on issues of safety and business continuity.

Government Legislation and Regulation – the Group's business is controlled under a variety of legislation and regulation to enhance the safety and environmental characteristics of this industry. Management ensures that it has appropriate procedures and controls in place to identify any changes in legislation and to ensure the necessary compliance and reporting in accordance with that legislation.

People – many aspects of the business performance are reliant upon certain key management. Procedural documentation is maintained to a high level to reduce the risk of staff turnover. Key management personnel are retained by competitive performance-based remuneration.

Fuel Prices - fuel represents a significant cost to the Group and therefore fluctuations in price could have a significant effect on the cost of operation. The risk associated with fuel price movements is significantly mitigated through the use of price escalators within customer contracts which, with the exception of some short term fluctuations in price, allows for changes in fuel cost per litre to be reflected in the sales price.

Operating and Financial Review for the period from 10 April 2014 to 30 November 2014

The Board was pleased with the trading performance of the Group in its inaugural financial period and the news of the acquisition was greeted positively by customers and suppliers alike.

Revenue for the Group, for the 8 months to 30 November 2014, was £394.4m and activity levels were in line with management's expectation across the Group as a whole. Profit before tax and before restructuring costs and amortisation of intangibles was £13.0m for the 8 months to 30 November 2014. This profit is before (a) restructuring costs of £1.6m, and (b) amortisation of intangibles of £6.4m together with associated income of £1.0m, reflecting the acquisition accounting treatment of acquired intangibles. Profit after tax was £4.4m for the 8 months to 30 November 2014.

Strategic Report (continued)

Underlying EBIT is defined as Profit from operating activities before restructuring costs (£17.8m), amortisation of acquired intangibles (£6.4m), DBAY management services costs (£1.3m, as disclosed within note 24) and investor-related costs (£0.1m). Underlying EBITDA is defined as Underlying EBIT before depreciation of property, plant and equipment. The Directors believe that underlying EBITDA of £31.0m and Underlying EBIT of £25.6m provides an important measure of the underlying operational performance of the Group

The Group generated free cash flow (net cash from operating activities plus dividends from joint ventures less net capital expenditure) of £29.7m. In addition to the profits stated above, this included cash generation of £10.7m due to a reduction in working capital balances. However, it should be noted that the opening and closing working capital balances for this movement, being an eight month period, are not directly comparable and this improvement should not be seen as a permanent adjustment. The Group used the cash generated to repay its flexible asset-backed finance facility, which it repays and redraws as required. Consolidated weekly cash flow forecasts are undertaken to ensure the short and medium-term liquidity requirements of the Group are managed efficiently.

The Group's net assets at 30 November 2014 of £67.1m include goodwill and intangible assets of £235.0m. Net assets reflect the share capital and share premium of £65.4m invested in the Company during the period and in addition to the retained profits in the period of £4.4m and acquired minority interests of £0.1m, are reduced by £1.8m representing the fair value, net of deferred tax, of the interest rate hedge used to fix a proportion of the Group's variable interest rate finance facilities; actuarial losses of £0.5m, net of deferred tax, on the Group's closed defined benefit pension scheme; and foreign exchange losses of £0.5m on translation of the Group's overseas subsidiaries.

The General Transport business unit has operated in line with management's expectations. During the period, the business unit has retained all contracted customers, renewing a number of contracts on satisfactory terms, notably with Coca-Cola, Britvic, Crown and Proctor & Gamble. The network utilisation at 86.3% remains one of the highest in the industry and continues to be a major KPI within the business and a significant feature of the Group's value proposition to its customers. Our work with e-commerce customers has developed further within the period in terms of both volumes and the number of customers we are now engaging with in the sector.

The Ports & Container Transport business unit performed strongly, with revenue up against expectations. The main challenge during the period was to increase own-driver capacity in line with the increase in demand.

The Contract Logistics & Warehousing business unit performed well during the period, as new contracts were secured ahead of plan to refill vacant space at two legacy sites during the period; furthermore the Crown Braunstone contract was regained just six months after the customer had initially transferred to another provider. A significant proportion of the improved utilisation from this additional volume flowed through to the profitability of the division. Continued investment in the refreshment of the division's operating assets also delivered improved efficiencies, functionality and safety, all of which contribute to a saving in costs. A new site at Goresbrook Park, Dagenham was successfully secured and was integrated into the network early in 2015. Another new site at DIRFT South, comprising 420,000 square feet of rail-served warehousing is under construction and forecast to be commissioned in late summer of 2015. Both of these sites will provide incremental revenue and profitability to the business unit in the future.

Stobart Automotive is becoming much more closely integrated with the fleet. The management team and much of the administration functions have now been relocated to the Doncaster site, which is also a key operational site. The move incurred exceptional costs of £1.2m during the period, but is expected to result in future savings. The market for Stobart Automotive remains challenging, but is showing signs of improvement. In particular one significant contract, which was loss-making was renewed during the period with rates increased to commercially viable levels. The Group has also committed to a significant investment programme to renew the fleet within Stobart Automotive. Orders have been placed for in excess of 100 new transporters to be manufactured and delivered during the forthcoming financial year, representing around 25% of the UK Stobart Automotive fleet. This will reduce the operating costs and dramatically improve the efficiencies of the fleet improving availability as well as facilitating the efficient operation of the allocation and planning process as a whole.

Strategic Report (continued)

The Stobart Automotive operations in Europe have enabled the Eddie Stobart Transport & Distribution business unit to service some of its customer contracts far more effectively and the greater number of locations and resource available in Europe is proving valuable as the Group seeks to expand into these markets.

Property Values

The Directors do not consider that there is any material difference between the market value of each of the Group's freehold properties and their book values, as shown in the Consolidated Balance Sheet at 30 November 2014.

Creditor Payment Policy

The Group policy for payment to suppliers is to delegate the responsibility for agreeing the trading terms and conditions with suppliers to the individual business units. At 30 November 2014, the amount of trade creditors in the Consolidated Balance Sheet represented 50 days of average daily purchases for the Group. The Company is a holding company and does not make trade purchases that rely on payment terms.

Going Concern

Management has undertaken a budgeting process for the financial year ending 30 November 2015, which includes a detailed profit and loss account, cash flow analysis and balance sheet, and a forecasting exercise for a number of years beyond this. This exercise has not identified any issues that would suggest any significant risk to the Group's continued trading position and the projections demonstrate that the Group is expected to remain within its existing finance facilities and their associated covenants. The Group's finance facilities are set out in Note 17 to the Consolidated Financial Statements. The Directors have therefore adopted the going concern basis in preparing these Consolidated Financial Statements.

On behalf of the Board



William Stobart

Director

For and on behalf of Greenwhitestar UK Plc
Stretton Green Distribution Park
Langford Way
Appleton
Warrington
WA4 4TQ

Directors' Report

The directors present their report and the audited financial statements for the period ended 30 November 2014.

Incorporation and results

The Company was incorporated on 4 March 2014. The profit for the period, after taxation, amounted to £4.4m.

Dividends

The Company has neither paid nor proposed any dividends in respect of the period ended 30 November 2014.

Directors

The directors of the Company during the period and up to the date of signing the financial statements were:

S Riffner	(appointed 4 March 2014)	
W Stobart	(appointed 11 February 2015)	
M J Branigan	(appointed 11 February 2015)	
G J Bicknell	(appointed 11 February 2015)	
I A Duncan	(appointed 11 February 2015)	
J Mara	(appointed 11 February 2015)	
B M Whawell	(appointed 11 February 2015)	
L McIlwee	(appointed 1 April 2015)	
R Butcher	(appointed 11 February 2015)	(resigned 1 April 2015)
C Kingsnorth	(appointed 4 March 2014)	(resigned 11 February 2015)
A Pegge	(appointed 4 March 2014)	(resigned 11 February 2015)
M Haxby	(appointed 4 March 2014)	(resigned 11 February 2015)

Charitable and political donations

Charitable donations totalling £12,901 were made during the period. There were no political donations during the period.

Disabled persons

The Company's policy is that any vacancy which arises is open to disabled persons, provided that they are able to fulfil the functions required by that job. Employees who have been injured or become disabled in the course of their employment are considered for other suitable vacancies.

Employee involvement

Employees are kept informed about the progress and position of the Group by means of regular departmental meetings and newsletters.

Issue of Share Capital

On 4 March 2014, 50,000 ordinary shares were issued at par to Greenwhitestar Holding Company 2 Limited. On 10 April 2014, a further 653,000 shares were issued for consideration of £65.3m as part of the transaction to acquire Eddie Stobart Logistics Limited.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Director's report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report (continued)

Auditor

KPMG Audit LLC was appointed as auditor during the period. KPMG Audit LLC has expressed a willingness to be re-appointed and in accordance with section 487 of The Companies Act 2006, its reappointment will be proposed at the forthcoming Annual General Meeting.

By order of the Board



Rupert H C Nichols FCIS

Company Secretary

On behalf of Greenwhitestar UK Plc
Stretton Green Distribution Park
Langford Way
Appleton
Warrington
WA4 4TQ

Statement of Directors' Responsibilities

Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards in relation to the Group accounts; UK generally accepted accounting principles for the Company accounts and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent Auditors

A resolution for the re-appointment of KPMG Audit LLC will be proposed at the forthcoming Annual General Meeting.

Independent auditor's report to the members of Greenwhitestar UK Plc

We have audited the Group and Company financial statements (the "financial statements") of Greenwhitestar UK Plc for the period from 4 March 2014 (date of incorporation) to 30 November 2014 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Cashflow Statement, the Company Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the EU for the Group and United Kingdom generally accepted accounting principles for the Company.

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Company's affairs as at 30 November 2014 and of its result for the period from 4 March 2014 (date of incorporation) to 30 November 2014;
- are in accordance with International Financial Reporting Standards as adopted by the EU for the Group and United Kingdom generally accepted accounting principle for the Company; and
- comply with the Companies Act 2006.

Independent auditor's report to the members of Greenwhitestar UK Plc (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.



Simon Nicholas (Senior Statutory Auditor)

~~For and on behalf of KPMG Audit LLC, Statutory Auditor~~

~~Chartered Accountants~~

Heritage Court

41 Athol Street

Douglas

Isle of Man, IM99 1HN

28 April 2015

Consolidated Income Statement

for the period ended 30 November 2014

	Note	Period ended 30 November 2014 £'000
Continuing operations		
Revenue		394,354
Cost of sales		(326,046)
Gross profit		68,308
Administrative expenses		(44,135)
Amortisation of acquired intangibles	10	(6,339)
Administrative expenses before restructuring costs		(50,474)
Administrative expenses: restructuring costs	4	(1,590)
Total administrative expenses		(52,064)
Profit from operating activities: including restructuring costs		16,244
Profit from operating activities: before restructuring costs		17,834
Finance income	5	20
Finance expense	5	(10,366)
Net finance expense		(10,346)
Share of profit from equity accounted investees, net of tax	11	165
Profit before tax	6	6,063
Tax expense	7	(1,614)
Profit for the period		4,449
Profit attributable to:		
Owners of the Company		4,422
Non-controlling interests		27
Profit for the period		4,449

The notes on pages 19 to 45 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Comprehensive Income

for the period ended 30 November 2014

	Note	Period ended 30 November 2014 £'000
Profit for the period		4,449
Items that will not be reclassified to profit or loss:		
Defined benefit plan actuarial losses	21	(648)
Tax on items that will not be reclassified to profit or loss	19	130
Total items that will not be reclassified to profit or loss		(518)
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences – foreign operations		(434)
Foreign currency translation differences – equity-accounted investees	11	(30)
Effective portion of changes in fair value of cash flow hedges		(2,288)
Tax on items that are or may be reclassified subsequently to profit or loss	19	457
Total items that are or may be reclassified subsequently to profit or loss		(2,295)
Total comprehensive income for the period		1,636
Total comprehensive income attributable to:		
Owners of the Company		1,609
Non-controlling interests		27
Total comprehensive income for the period		1,636

The notes on pages 19 to 45 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

for the period ended 30 November 2014

	Attributable to equity holders of the Company							
	Share capital £'000	Share premium £'000	Translation reserve £'000	Hedge reserve £'000	Retained earnings £'000	Total £'000	Non-controlling interest £'000	Total equity £'000
Profit for the period	-	-	-	-	4,422	4,422	27	4,449
Total other comprehensive income	-	-	(464)	(1,831)	(518)	(2,813)	-	(2,813)
Total comprehensive income for the period	-	-	(464)	(1,831)	3,904	1,609	27	1,636
Contributions by and distributions to owners of the Company								
Issue of ordinary shares related to business combination	703	64,647	-	-	-	65,350	-	65,350
Changes in ownership interests in subsidiaries								
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	66	66
Total contributions by and distributions to owners of the Company	703	64,647	-	-	-	65,350	66	65,416
Balance at 30 November 2014	703	64,647	(464)	(1,831)	3,904	66,959	93	67,052

The notes on pages 19 to 45 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Financial Position

as at 30 November 2014

	Note	30 November 2014 £'000
Assets		
Non-current assets		
Property, plant and equipment	9	47,426
Intangible assets and goodwill	10	234,970
Investments in equity accounted investees	11	845
		283,241
Current assets		
Inventories	12	2,169
Trade and other receivables	13	116,610
Current tax asset		627
Cash and cash equivalents	14	8,374
		127,780
Total assets		411,021
Liabilities		
Current liabilities		
Loans and borrowings	17	(11,169)
Trade and other payables	15	(108,831)
Provisions	18	(1,638)
		(121,638)
Non-current liabilities		
Loans and borrowings	17	(188,620)
Employee benefits	21	(2,941)
Trade and other payables	16	(17,093)
Deferred tax liabilities	19	(13,224)
Provisions	18	(453)
		(222,331)
Total liabilities		(343,969)
Net assets		67,052
Equity		
Share capital	20	703
Share premium	20	64,647
Translation reserve	20	(464)
Hedge reserve	20	(1,831)
Retained earnings		3,904
Total equity attributable to owners of the Company		66,959
Non-controlling interests		93
Total equity		67,052

The notes on pages 19 to 45 are an integral part of these Consolidated Financial Statements. The Consolidated Financial Statements on pages 14 to 45 were approved by the Board of Directors on 28 April 2015 and were signed on its behalf by:


William Stobart
 Chief Executive Officer


David Meir
 Chief Financial Officer

Company Number: 8922456

Consolidated Cash Flow Statement

for the period ended 30 November 2014

	Note	Period ended 30 November 2014 £'000
Cash flows from operating activities		
Profit for the period		4,449
Adjustments for:		
Depreciation	9	5,487
Amortisation of intangible assets	10	6,339
Net finance costs	5	10,346
Share of profit of equity-accounted investees, net of tax	11	(165)
Gain on sale of property, plant and equipment	6	(523)
Tax expense	7	1,614
Changes in:		
Inventories		277
Trade and other receivables		(5,812)
Trade and other payables		18,030
Provisions and employee benefits		(652)
Deferred income/revenue, including government grant		(1,147)
Cash generated from operating activities		38,243
Net interest paid		(6,608)
Income taxes paid		(1,386)
Net cash from operating activities		30,249
Cash flows from investing activities		
Proceeds from sales of property, plant and equipment		1,940
Acquisition of subsidiaries, net of cash acquired		(207,398)
Purchase of property, plant and equipment		(2,655)
Purchase of brand name license		(13,700)
Dividends received from equity accounted investees	11	145
Net cash used by investing activities		(221,668)
Cash flows from financing activities		
Proceeds from issue of share capital		65,300
Drawdown of new borrowings		3,491
Draw down of financing facility, net of costs		148,250
Issuance of loan notes		22,759
Repayment of bank borrowings		(36,165)
Payment of capital element of finance lease liabilities		(3,842)
Net cash used in financing activities		199,793
Net increase in cash and cash equivalents		8,374
Cash and cash equivalents at the start of the financial period		-
Cash and cash equivalents at the end of the financial period	14	8,374

The notes on pages 19 to 45 are an integral part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements for the period ended 30 November 2014

1. Principal Accounting Policies

Greenwhitestar UK Plc (the 'Company') is a company domiciled in the United Kingdom. The address of the Company's registered office is Stretton Green Distribution Park, Langford Way, Appleton, Warrington, WA4 4TQ. The Consolidated Financial Statements of the Company as at and for the period ended 30 November 2014 comprise the Company and its subsidiaries (referred to as the 'Group') and the Group's interest in associates and jointly controlled entities.

Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with IFRS and the International Financial Reporting Interpretation Committee ('IFRIC') interpretations endorsed by the EU and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements for the Company have been prepared in accordance with UK GAAP. Accordingly, the Company's accounting policies are included in note 27.

Significant accounting policies

The accounting policies set out below have been applied consistently in these Consolidated Financial Statements, and have been applied consistently by Group entities.

Going Concern

Management has completed a budgeting process for the financial year ending 30 November 2015, incorporating a detailed profit and loss account, cash flow analysis and balance sheet and a forecasting exercise for a number of years beyond this. This exercise has not identified any issues that would suggest any significant risk to the Group's continued trading position and the projections demonstrate that the Group is expected to remain within its existing finance facilities and their associated covenants. The Directors have therefore adopted the going concern basis in preparing these Consolidated Financial Statements.

Basis of measurement

The Consolidated Financial Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- derivative financial instruments are measured at fair value;
- intangible assets acquired in business combinations are measured at fair value;
- the defined benefit asset is recognised as plan assets, plus unrecognised past service cost, less the present value of the defined benefit obligation and is limited as explained below.

Basis of consolidation

(i) Business combinations - business combinations are accounted for using the acquisition method as at the acquisition date (when control is transferred to the Group). An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) Non-controlling interests - for each business combination, the Group measures any non-controlling interests in the acquiree at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognised in profit or loss.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

1. Principal Accounting Policies (continued)

Basis of consolidation (continued)

(iii) Subsidiaries - subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

(iv) Loss of control - on the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

(v) Investments in associates and jointly controlled entities (equity-accounted investees) - associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 percent and 50 percent of the voting power of another entity. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for under the equity method and are recognised initially at cost. The cost of the investment includes transaction costs. The Consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(vi) Transactions eliminated on consolidation - intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the Consolidated Financial Statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Foreign currency

(i) Foreign currency transactions - transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

(ii) Foreign operations - The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated at exchange rates at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions. Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Financial instruments

(i) Non-derivative financial asset - Loans and receivables, including financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables. Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

1. Principal Accounting Policies (continued)

Financial instruments (continued)

(ii) Non-derivative financial liabilities - financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings, debt securities issued, bank overdrafts, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the statement of cash flows.

(iii) Derivative financial instruments, including hedge accounting - The Group holds derivative financial instruments to hedge certain of its interest rate risk exposures.

On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy in undertaking the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship. The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80 – 125 percent. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that ultimately could affect reported profit or loss. Derivatives are recognised initially at fair value; any attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as follows:

- the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity.
- any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

(iv) Share capital - ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including any directly attributable capitalised borrowing costs and an estimate of any future costs of dismantling and removing the items and restoring the site on which they are located.

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The estimated useful lives for significant items of property, plant and equipment are as follows:

- Freehold buildings: 2% - 5% per annum straight line
- Leasehold land and buildings: 1% straight line, or period of lease if shorter
- Vehicles and trailers: 3 - 10 years straight line and 25% reducing balance as appropriate
- Plant and equipment: 3 - 7 years straight line and between 15% - 20% reducing balance as appropriate
- Fixtures and fittings: 3 - 5 years straight line and between 20% - 33% reducing balance as appropriate

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

1. Principal Accounting Policies (continued)

Intangible assets and goodwill

Goodwill that arises on the acquisition of subsidiaries is presented within intangible assets. The measurement of goodwill at initial recognition is explained in the Business combinations policy set out above. Subsequently, Goodwill is measured at cost less accumulated impairment losses.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

- Brands and trademarks: 6 years
- Customer relationships: 15 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Impairment

(i) Non-derivative financial assets - a financial asset not classified at fair value through profit or loss, including an interest in an equity-accounted investee, is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

(ii) Non-financial assets - the carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

1. Principal Accounting Policies (continued)

Employee benefits

(i) Short-term employee benefits - short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Defined contribution plans - a defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(iii) Defined benefit plans - a defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on high quality corporate bonds, that have maturity dates approximating to the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefit expense in profit or loss. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on curtailment or settlement comprises any resulting change in the fair value of plan assets, any change in the present value of the defined benefit obligation, any related actuarial gains and losses and past service cost that had not previously been recognised.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined based on the expected future cash flows. When it has a material effect, these are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of any discount is recognised as a finance cost. The policies used to determine specific provisions are:

(i) Site restoration - in accordance with applicable legal requirements, a provision for site restoration in respect of contaminated land, and the related expense, is recognised when the land is contaminated.

(ii) Onerous contracts - a provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(iii) Employee restructuring - a provision for employee restructuring costs is made once the Group is committed to any restructuring plans, which require a change to the status of employees that have a cost implication.

Revenue

Revenue from the provision of services is recognised in the Consolidated Income Statement on the delivery of those services based on the proportion of the total delivered at the balance sheet date. It is recognised at the fair value of consideration receivable, net of trade discounts, volume rebates and VAT.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

1. Principal Accounting Policies (continued)

Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, and are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised.

Leases

Group as Lessee

(i) Leased assets - assets held by the Group under leases which transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

(ii) Lease payments - payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Where leases contain escalation clauses that stipulate specific increases to the rental payable, the operating lease expense is recorded on a straight line basis. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income

Rental income is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and the net interest cost from accounting for defined benefit pension schemes. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax - is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

(ii) Deferred tax - is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

1. Principal Accounting Policies (continued)

Tax (continued)

- temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Incorporation during the period

The Company was incorporated during the period and is presenting its first set of Financial Statements, and therefore there is no comparative reporting period.

New standards and interpretations

- (a) New currently effective requirements: The adoption of these standards and amendments have not had a significant impact on the Financial Statements:
- Transition guidance: Amendments to IFRS 10, IFRS 11 and IFRS 12 (Endorsed 4 April 2013; EU effective date 1 January 2014)
 - Annual Improvements to IFRSs – 2009-2011 Cycle (Endorsed 27 March 2013; EU effective date 1 January 2014)
 - Government loans – Amendments to IFRS 1 (Endorsed 4 March 2013; EU effective date 1 January 2014)
 - IFRS 10 Consolidated Financial Statements (Endorsed 11 December 2012; EU effective date 1 January 2014; To be adopted as part of suite of standards IFRSs 10 to 12)
 - IFRS 11 Joint Arrangements (Endorsed 11 December 2012; EU effective date 1 January 2014; To be adopted as part of suite of standards IFRSs 10 to 12)
 - IFRS 12 Disclosure of Interests in Other Entities (Endorsed 11 December 2012; EU effective date 1 January 2014; To be adopted as part of suite of standards IFRSs 10 to 12)
 - IAS 27 Separate Financial Statements (2011) (Endorsed 11 December 2012; EU effective date 1 January 2014)
 - IAS 28 Investments in Associates and Joint Ventures (2011) (Endorsed 11 December 2012; EU effective date 1 January 2014)
 - Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32 (Endorsed 13 December 2012; Early adoption permitted to allow application of amendments at same time as first applying IFRS 10: IASB effective date 1 January 2014)
 - Recoverable amount disclosures for non-financial assets – Amendments to IAS 36 (Endorsed 19 December 2013; IASB effective date 1 January 2014)
 - Continuing hedge accounting after derivative novations – Amendments to IAS 39 (Endorsed 19 December 2013; IASB effective date 1 January 2014)
- (b) New standards or amendments: A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 December 2014, and have not been applied in preparing these Financial Statements. Those which are relevant to the Group are set out below. The Group does not plan to early adopt these standards and they are not thought to have a significant impact on the Financial Statements:
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (Endorsed 9 January 2015; EU effective date 1 February 2015)
 - Annual Improvements to IFRSs 2010–2012 Cycle – various standards (Endorsed 9 January 2015; EU effective date 1 February 2015)
 - IFRS 14 Regulatory Deferral Accounts (Not yet endorsed; IASB effective date 1 July 2016)
 - Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) (Not yet endorsed; IASB effective date 1 January 2016)
 - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) (Not yet endorsed; IASB effective date 1 January 2016)

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

2. Summary of Significant Accounting Judgements and Fair Value estimates

Significant accounting judgements

In preparing these Financial Statements, the Board makes judgements, estimates and assumptions regarding the future. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements, estimates and assumptions that carry the most significant risk of causing a material adjustment within the next financial year to the amounts included in these Financial Statements are explained below:

- (i) Determination of fair values of intangible assets acquired in business combinations - these estimates have predominantly been prepared in consultation with third party advisors, but nevertheless contain estimates of future business performance, cash flows and discount rates.
- (ii) Useful lives of intangible assets and property, plant and equipment - the useful lives of intangible assets rely on various internal and external factors which could turn out to be different from the assumptions employed in determining their useful life. The useful lives of property, plant and equipment is also dependent upon estimates of the period over which an asset is expected to generate profits, which includes an assessment of the reliability, longevity and cost of maintenance of those assets. The Board periodically reviews the major classes of assets to ensure that the periods over which they are amortised or depreciation is appropriate.
- (iii) Estimated value of provisions - these estimates, by their nature, tend to involve judgement in respect of the current knowledge pertaining to a future event and as such the actual cash flows and the timing of those cash flows may be different.
- (iv) Impairment of goodwill - the Group is required to perform an annual impairment test on goodwill by reference to its value in use or its fair value, less costs of disposal. This requires an estimate of future business performance, cash flows and discount rates all of which rely on estimates and judgements of future events and may therefore be subject to change.
- (v) Taxation - the tax balances are calculated based on an assessment of the tax treatment of income and costs and the availability of tax losses and group reliefs. The calculation of deferred tax balances also includes an estimate of future profits. The calculations are prepared in consultation with third party advisors but due to the estimates and judgements required may still be subject to change.
- (vi) Classification of certain leases - judgment is required in certain leases that contain buyback clauses over the extent of risk that remains at the end of the lease term and therefore whether the lease is classified as a finance or operating lease. However, once these judgments have been made, no change to the lease classification is expected.
- (vii) Valuation of defined benefit pension scheme deficit - the Board employs an independent actuary to carry out valuations for accounting purposes at each reporting date. These valuations rely on estimates of future events and the actual cash flows and subsequent valuations of the deficit may be different.

Fair value estimates

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (i) Property, plant and equipment - the fair value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which property could be exchanged on the acquisition date between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably. The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
- (ii) Intangible assets - the fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return on all other assets that are part of creating the related cash flows. Brand names held under licence are valued at their amortised cost.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

2. Summary of Significant Accounting Judgements and Fair Value estimates (continued)

Fair value estimates (continued)

(iii) Trade and other receivables - the fair values of trade and other receivables are estimated at the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(iv) Interest rate swaps - the fair values of interest rate swaps are based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

3. Acquisition of Eddie Stobart Logistics Limited

On 10 April 2014, the Company acquired, through its wholly-owned subsidiary Greenwhitestar Acquisitions Limited, 100% of the share capital of Eddie Stobart Logistics Limited as described on page 2 of these Financial Statements.

The previous carrying value and the fair value of the identifiable assets and liabilities of the aggregated companies acquired within the Eddie Stobart Logistics Group at the date of acquisition are shown in the table below:

Identifiable assets acquired and liabilities assumed	Previous carrying value £'000	Adjustments £'000	Fair value recognised on acquisition £'000
Property, plant and equipment	51,754	(4,813)	46,941
Investments in associates and joint ventures	855	-	855
Goodwill	40	(40)	-
Intangible assets: customer relationships	-	86,876	86,876
Deferred tax	4,525	(19,103)	(14,578)
Cash and cash equivalents	6,391	-	6,391
Trade receivables ⁽¹⁾	84,789	-	84,789
Other receivables	47,472	(8,920)	38,552
Inventories	2,696	(250)	2,446
Trade payables	(42,803)	-	(42,803)
Other payables and deferred income	(42,756)	(1,606)	(44,362)
Finance lease liabilities	(30,035)	-	(30,035)
Loans and borrowings	(36,165)	-	(36,165)
Pension scheme liabilities	(2,545)	-	(2,545)
Provisions	(459)	(1,970)	(2,429)
Total net assets acquired	43,759	50,174	93,933
Total consideration transferred			226,000
Non-controlling interests, based on their proportionate interest in the net assets acquired			66
Goodwill arising on acquisition			132,133

⁽¹⁾ Gross contractual amounts receivable of £86,2m, net of provisions of £1,4m.

Due to the nature of some fair value estimates, although management does not expect significant adjustments to be made in the subsequent year, these are provisional fair values as at 30 November 2014. In particular there are certain estimates included within other payables, deferred income and provisions that may change as more information becomes available pertaining to the circumstances existing at the date of acquisition.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

3. Acquisition of Eddie Stobart Logistics Limited (continued)

The goodwill arising on acquisition represents the projected profitability of the Group, including the assembled workforce, together with further potential to exploit synergies between business units and within the transport sector as a whole. None of this goodwill is expected to be deductible for corporation tax purposes.

The consideration was transferred upon acquisition and there is no further contingent consideration. Transaction costs associated with the acquisition were borne by holding companies in the Group, above the Company, and not recharged to the Company.

At the same time as the acquisition of these shares, the Group purchased a brand name licence, as disclosed in note 10.

The acquisition described above represents the sole trade of the Company and therefore the revenue and profits shown in the Income Statement represent the acquired business for the 8 month period to 30 November 2014. Had the business been operating for a full financial year, management estimates that revenue would have been £591.5m and profits before tax £9.1m.

4. Restructuring costs

	Period ended 30 November 2014 £'000
Restructuring costs included in administrative expenses	
Restructuring costs	(1,404)
Advisers costs relating to the purchase of the business	(163)
Other	(23)
Total restructuring costs	(1,590)
Tax credit	334
Total restructuring costs after tax	(1,256)

Following the acquisition of the Group, the Board has taken steps to re-organise aspects of the business. In particular the management team and certain administrative support functions within the Automotive division have been centralised into the existing depot at Doncaster.

5. Finance Income and Finance Expense

	Period ended 30 November 2014 £'000
Finance income	
Bank interest receivable	20
Finance expense	
Interest payable on bank loans and overdrafts	(6,503)
Amortisation of bank fees	(1,072)
Interest payable on loan notes	(2,003)
Unwinding of discounted balances	(43)
Interest payable on finance leases	(681)
Net interest on retirement benefit schemes (note 21)	(64)
Total finance expense	(10,366)

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

6. Profit Before Tax

The following items have been included in arriving at profit before income tax:

	Period ended 30 November 2014 £'000
Employee benefits (note 22)	113,803
Depreciation of property, plant and equipment	5,487
Amortisation of intangible assets	6,339
Profit on disposal of property, plant and equipment	523
Operating lease rentals payable:	
- land and buildings	14,706
- plant and equipment	795
- commercial vehicles	22,825

Auditors' Remuneration

During the period, the Group (including overseas subsidiaries) obtained the following services from the Group's auditors at costs as detailed below:

	Period ended 30 November 2014 £'000
Audit Services	
Fees payable to the Company's auditors for the audit of the Parent Company and the Consolidated Financial Statements	30
Fees payable to the Company's auditors and its associates for the audit of the Company's subsidiaries pursuant to legislation	208
Non-Audit Services	
For other services	48

7. Taxation

Total tax charged in the Income Statement in respect of continuing operations

	Period ended 30 November 2014 £'000
Current income tax	
UK Corporation tax	1,995
Overseas corporation tax	386
Total current tax charge	2,381
Deferred taxation credit	
Origination and reversal of temporary differences	(767)
Total charge in the income statement	1,614

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

7. Taxation (continued)

	Period ended 30 November 2014 £'000
Income tax (credit) on items charged to equity	
Deferred tax (credit) on actuarial losses on retirement benefit schemes	(130)
Deferred tax (credit) on effective portion of changes in fair value of cash flow hedges	(457)
Total Income tax (credit) on items charged to equity	(587)

The deferred tax credit in the income statement is analysed as follows:

	Period ended 30 November 2014 £'000
Accelerated allowances on plant and machinery	259
Amortisation of intangible assets and associated income	(1,076)
Pension scheme accounting	50
Total deferred tax	(767)

The above expense reconciles with the standard rate of corporation tax in the UK as follows:

	Period ended 30 November 2014 £'000
Profit on ordinary activities before tax	6,063
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21%	1,273
Effects of:	
Tax effect of share of profit from equity accounted investees	(35)
Expenses not deductible / (income not taxable) for tax purposes	628
Effect of different tax rates on overseas profits	(263)
Effect of reduction in UK tax rate from 21% to 20% on deferred tax balances *	11
Total tax expense	1,614

* A reduction in the UK corporation tax rate from 23% to 21% became effective from 1 April 2014. In addition, the rate reduction to 20% with effect from 1 April 2015 has been substantively enacted and therefore the deferred tax liability at 30 November 2014 has been calculated based on this rate.

Factors that may affect future tax expenses

The Group has not recognised deferred tax assets in respect of trading losses with a tax value of £2.4m in the UK and therefore, to the extent that these losses may be used against profits arising in future periods, the effective tax rate on these profits may be reduced. Other than certain items noted in the tax reconciliation above, there are no other significant factors that may affect future tax expenses.

8. Dividends

No interim dividend was paid during the period ended 30 November 2014 and at the date of approving these Financial Statements, no final dividend has been recommended in respect of the period ended 30 November 2014.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

9. Property, Plant and Equipment

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and computer equipment £'000	Commercial vehicles £'000	Total £'000
Cost					
Acquisitions at fair value through business combinations (note 3)	18,346	4,359	1,738	22,498	46,941
Exchange movement	(45)	(1)	(3)	(92)	(141)
Additions in the period	256	1,419	224	5,631	7,530
Disposals	(17)	(4)	(33)	(4,561)	(4,615)
At 30 November 2014	18,540	5,773	1,926	23,476	49,715
Accumulated depreciation					
Charge for the period	812	873	469	3,333	5,487
Disposals	(13)	-	(21)	(3,164)	(3,198)
At 30 November 2014	799	873	448	169	2,289
Net book value					
At 30 November 2014	17,741	4,900	1,478	23,307	47,426

As at 30 November 2014, the balances held in respect of assets held under finance leases and hire purchase agreements are shown below:

	Land and buildings £'000	Plant and machinery £'000	Fixtures, fittings and computer equipment £'000	Commercial vehicles £'000	Total £'000
Cost	3,894	1,273	-	22,268	27,435
Aggregate depreciation	(170)	(188)	-	(2,434)	(2,792)
Net book value at 30 November 2014	3,724	1,085	-	19,834	24,643

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

10. Goodwill and intangible assets

	Goodwill £'000	Brand names £'000	Customer relationships £'000	Total £'000
Cost and net book value				
Additions through business combinations in the period	132,133	-	86,876	219,009
Additions in the period	-	22,300	-	22,300
At 30 November 2014	132,133	22,300	86,876	241,309
Amortisation and impairment				
Amortisation charge	-	2,478	3,861	6,339
At 30 November 2014	-	2,478	3,861	6,339
Net book value				
At 30 November 2014	132,133	19,822	83,015	234,970

The additions in 2014 represent the goodwill and intangible assets acquired as part of the acquisition of the Eddie Stobart Logistics Limited Group.

Brand names comprise the Eddie Stobart trademark and designs, which have been licensed to the Group during the period and are being amortised over 6 years. Customer relationships represent the existing contractual and expected future relationships with customers of the Group at the point of acquisition and are being amortised over 15 years.

Goodwill is considered to have an indefinite life because there is no foreseeable limit to the period over which it is expected to generate net cash inflows for the Group. Factors taken into consideration in this judgment are the long period over which the business has been established, the strength of the brand awareness and the longevity of the industries in which the business is involved.

The goodwill has been allocated to cash generating units ('CGUs'), which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. This allocation is shown in the table below:

	General Transport £'000	Ports £'000	Automotive £'000	Total £'000
Carrying amount of goodwill	125,574	5,559	1,000	132,133

The recoverable amount of goodwill is determined from value-in-use calculations, which are prepared for each CGU and use budgeted cash flows for year one and cash flow projections for years 2 and 3. Years 4 and 5 are extrapolated from these projections and terminal cash flows are based on year 5, assumed to grow perpetually at 2.5%. The key assumptions forming inputs to the cash flows are in revenues and margins. Revenues for 2014 have been assessed by reference to existing contracts and an estimate of market volumes, which in turn have been assessed through discussions with customers and an assessment of the expected trends in wider economic factors. Margins have been assumed to remain broadly at existing levels. The forecasts have been discounted at a pre-tax discount rate of 12%. No impairment losses have been recognised in the period. The value in use calculation is most sensitive to the discount rate and projected margins. Management believes that no reasonable adjustment to the discount rate or projected margins would cause the carrying value of the unit to exceed its recoverable amount.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

11. Investments in Equity Accounted Investees

	2014 £'000
Interests in joint ventures	
Acquisitions through business combinations (note 3)	855
Post-tax share of profits	165
Dividends paid to Group companies	(145)
Exchange movement	(30)
At 30 November	845
Represented by	
Property, plant and equipment	75
Current assets	4,525
Current liabilities	(3,755)
Share of net assets	845

Details of joint ventures at 30 November 2014 are shown in note 29.

12. Inventories

	2014 £'000
Fuel and lubricants	1,871
Consumable supplies	298
	2,169

There is no impairment provision in respect of inventories. Inventories represent the value of fuel, lubricants and consumable supplies as at 30 November 2014. Purchases of these goods during the year are costed directly to the consolidated Income Statement and as such the value of inventories expensed or credited to the Consolidated Income Statement during the period represents the difference between the opening and closing balances.

13. Trade and Other Receivables

	2014 £'000
Trade receivables	85,905
Less provision for impairment of trade receivables	(295)
Trade receivables – net	85,610
Amounts owed by associates and joint ventures	231
Other receivables and prepayments	30,769
	116,610

The ageing of trade receivables and associated provision for impairment is detailed below:

	2014	
	Trade receivables £'000	Provision for impairment £'000
Current	55,871	-
Overdue less than 1 month	26,821	-
Overdue 1 - 2 months	3,064	(182)
Overdue more than 2 months	149	(113)
	85,905	(295)

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

14. Cash and Cash Equivalents

	2014 £'000
Cash at bank and in hand	8,374

15. Trade and Other Payables (Current)

	2014 £'000
Trade payables	61,409
Tax and social security	6,925
Amounts owed to associates and joint ventures	574
Other payables, accruals and deferred income	38,713
Interest rate swap	1,210
	108,831

16. Trade and Other Payables (Non-current)

	2014 £'000
Government grants	595
Deferred lease liability	7,776
Deferred income	7,644
Interest rate swap	1,078
	17,093

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

17. Financial Assets and Liabilities

	2014 £'000
Current	
Fixed rate	
Finance lease and hire purchase obligations	5,828
Variable rate	
Bank loans	5,341
	11,169
Non-current	
Fixed rate	
Bank loans fixed by virtue of interest rate swap	93,326
Bank loans	1,967
Loan notes, including interest	24,762
Finance lease and hire purchase obligations	16,375
	136,430
Variable rate	
Bank loans	52,190
	188,620
Total Loans and borrowings	199,789
Cash	8,374
Net debt	191,415

Included in the analysis above are bank fees of £10.7m at the period end, which have been netted against the principal loans outstanding. During the period bank fees of £1.1m were amortised through the Consolidated Income Statement.

Finance Facilities

Loan notes

The Group issued Loan Notes of £22.8m on 10 April 2014. The Loan Notes attract a fixed rate of interest that is converted to PIK Notes on each anniversary of the issue. The PIK Notes attract the same rate of fixed interest as the loan notes which is converted into further PIK Notes on each anniversary of the issue. The Loan Notes and PIK Notes are repayable in April 2022.

Borrowing facilities

On 10 April 2014, the Group drew down finance facilities of £160.0m with associated fees of £11.8m. The facility is secured on assets of the Group, is subject to a variable rate of interest and subject to certain conditions is repayable in full in April 2021. The Group entered into an interest rate swap in order to hedge the variable rate of interest on a proportion of this loan, for a period of its duration. The swap is for a principal of £100.0m, was first effective from 10 November 2014 and is in place until April 2018. The swap was assessed as being highly effective both during the period and in the estimate of future interest cash flows which it is hedging. Consequently the unrealised loss on the fair value of the swap of £2.3m at 30 November 2014, arising because the fixed rate in the swap is higher than current LIBOR, has been included in other comprehensive income.

In the UK, the Group also has access to a revolving finance facility of up to £50.0m though normally restricted to £40.0m, which is dependent upon and secured against assets within the Group. The facility is subject to a variable rate of interest and is in place until 2021. The Group has finance facilities in Belgium which are secured against assets in that region and comprise a loan of €1.5m, subject to a variable rate of interest and available over 7 years to 2021, and a loan of €3.0m, subject to a fixed rate of interest and repayable in equal quarterly instalments over 7 years to 2021. The facilities are secured against specific assets in the Group with an aggregate book value of £80.3m.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

17. Financial Assets and Liabilities (continued)

Maturity Profile of Financial Liabilities

The maturity profiles (including interest payments in respect of finance lease and hire purchase liabilities) of financial liabilities are shown in the table below:

	Due within 1 year £'000	Due between 1 and 5 years £'000	Due after 5 years £'000	Total £'000
Financial liabilities				
Bank loans	13,955	35,682	224,156	273,793
Interest rate swaps	1,212	1,327	-	2,539
Trade payables	61,409	-	-	61,409
Net amounts owed to associates and joint ventures	343	-	-	343
Finance lease and hire purchase obligations	6,689	15,813	2,626	25,128
	83,608	52,822	226,782	363,212

Foreign exchange differences on retranslation of these assets and liabilities are taken to the Consolidated Income Statement except where those assets and liabilities are held in entities denominated in foreign currency in which case differences are taken to reserves as described in note 1.

The minimum lease payments under finance leases fall due as follows:

	2014 £'000
Within 1 year	6,689
Between 1 and 5 years	15,813
After 5 years	2,626
	25,128
Future finance charges on finance leases	(2,925)
Present value of finance lease liabilities	22,203

The obligations under finance leases and hire purchase contracts are taken out with various lenders at interest rates prevailing at the inception of the contracts.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

17. Financial Assets and Liabilities (continued)

Financial Risks and Capital Management

Through its operations, the Group is exposed to the following financial risks:

- Funding and liquidity risk
- Credit risk from trade receivables
- Interest rate cash flow risk from variable rate bank loans
- Foreign exchange risk

In the process of managing these financial risks, the Group uses the following financial instruments:

- Cash at bank
- Bank loans
- Trade receivables, including amounts owed by associates and joint ventures
- Trade and other payables, including amounts owed to associates and joint ventures
- Finance leases and hire purchase agreements

The Group's overall risk management programme focuses on reducing financial risk as far as possible and therefore seeks to minimise potential adverse effects on the Group's financial performance. The policies and strategies for managing specific financial risks are summarised as follows:

(i) Funding and Liquidity Risk

The Group finances its operations by a combination of equity, bank loans, leases, working capital and retained profits. The Group undertakes short term cash forecasting to monitor its expected cash flows against its cash availability and finance facilities. The Group also undertakes longer term cash forecasting to monitor its expected funding requirements in order to meet its current business plan, in the context of its existing facilities and to identify any requirement for future funding facilities. The Group monitors its current and forecast financial performance against its banking covenants to ensure that it remains compliant with their requirements. The Group also maintains an active dialogue with a wide range of finance providers in order to ensure that it is aware of all possible sources of finance when it is assessing the availability and cost of providing for the funding requirements in the current business plan.

(ii) Credit Risk

The Group's principal exposure to credit risk is in its trade receivables arising from credit sales. A large proportion of the Group's trade receivables are covered by insurance. In accordance with this insurance policy and also carried out as Group policy in other uninsured credit sales, the Group carries out procedures to assess the credit risk of new customers before entering into new contracts, sets credit limits accordingly and monitors outstanding receivables balances in accordance with these. The Board places significant emphasis on credit control and any changes in debtor payment profiles are identified and acted upon. The age profile of outstanding trade debtors as at 30 November 2014 is shown in note 13, together with associated provisions against recoverability, which gives an indication of the level of credit risk to which the Group is exposed.

(iii) Interest Rate Cash Flow Risk

Some of the Group's borrowings are issued at variable rates that expose the Group to interest rate cash flow risk. The Group's exposure to floating rate interest is modelled in its budgets and forecasts. The Group's principal strategy is to manage its treasury position to reduce borrowing requirements and therefore its exposure to interest cost. As such, the current exposure to volatility in interest rates is limited and the Group estimates that a rise of 0.5% in interest rates would have reduced pre-tax profits by approximately £150,000 for the period ended 30 November 2014.

(iv) Foreign Exchange Risk

The Company's functional currency is Pound Sterling. The Group operates internationally and is exposed to foreign exchange risk, primarily with respect to the Euro. Due to the unpredictable nature of denominated cash flows, and a significant degree of natural hedging arising from purchases and receipts in Euros, the Board does not currently seek to hedge its exposure to foreign exchange risk. The Group estimates that a 5% weakening of the Euro from the period end exchange rate would decrease net assets by approximately £600,000.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

17. Financial Assets and Liabilities (continued)

Capital Management

Capital comprises share capital, retained profits and borrowing facilities. The Group's short to medium-term strategy continues to be to strengthen its capital base in order to sustain the future development of the business and therefore the current policy is to reinvest profits rather than recommend the payment of dividends. The Group also focuses on the management and control of working capital in order to reduce net debt, whilst allowing for capital investment in assets for the future development of the business. The Group has also secured finance facilities that contain sufficient headroom to allow for business growth in the event that market volumes significantly increase or incremental turnover is obtained through organic growth or acquisition.

Fair Value of Financial Assets and Liabilities

The Book value and comparable fair value of the Group's financial assets and liabilities are shown in the table below.

The Group uses the following valuation methods for measuring the fair value of financial instruments:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are based on data from active markets.

Level 3: Other techniques for which all inputs which have a significant effect on the recorded fair value are not based on data from active markets.

		2014	
		Book value	Fair Value
		£'000	£'000
Classification	Valuation method		
Financial assets			
Cash	Level 1	8,374	8,374
Trade receivables	Level 2	85,610	85,610
Financial liabilities			
Trade payables	Level 2	61,409	61,409
Amounts owed by associates and joint ventures	Level 2	343	343
Bank loans	Level 2	177,586	177,586
Interest rate swap	Level 2	2,288	2,288
Finance lease and hire purchase obligations	Level 2	22,203	22,203

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

18. Provisions

	At 30 November 2014 £'000	Movement in foreign currency translation £'000	Used during the period £'000	Charged to Consolidated Income Statement £'000	Acquired with business combinations £'000
Onerous contract provisions	-	-	(1,200)	-	1,200
Site restoration	420	(14)	-	40	394
Employee restructuring costs	1,622	-	-	851	771
Other	49	-	(15)	-	64
Total	2,091	(14)	(1,215)	891	2,429
Analysis of total provisions:					2014 £'000
Current					1,638
Non-current					453
					2,091

The onerous contract provision was in respect of a loss making contract that came to an end during the period. The site restoration provision relates to a freehold property in Europe where areas of contaminated land have been identified. It is not expected that any remedial work will be required within the next 12 months. Provisions for employee restructuring costs represent re-organisations within the business that are in progress at the period end. All of these costs are expected to be incurred within the next 12 months.

19. Deferred Tax

Deferred tax is calculated in full on temporary differences using the liability method, and predominantly relates to UK balances, using a tax rate of 20%.

	2014 £'000
Acquired with business combinations	(14,578)
Transfer to the Consolidated Income Statement	767
Deferred tax on items recognised directly in equity	587
Deferred taxation	(13,224)

The timing of the recovery of the deferred tax asset is expected to be:

- in less than 1 year	(1,226)
- in more than 1 year	(11,998)

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

19. Deferred Tax (continued)

Deferred tax assets have been recognised in respect of pension deficits, the fair value of financial instruments, accelerated capital allowances and other temporary differences giving rise to deferred tax assets because it is probable that these assets will be recovered.

	At 30 November 2014 £'000	(Charged) / credited to the Consolidated Income Statement £'000	Credited directly to equity £'000	Acquired with business combinations £'000
Tax effects of temporary differences due to:				
Intangible assets	(16,299)	1,076	-	(17,375)
Accelerated capital allowances	2,244	(259)	-	2,503
Revaluations	(344)	-	-	(344)
Pension scheme deficits	589	(50)	130	509
Hedging instruments	457	-	457	-
Other temporary differences	129	-	-	129
	(13,224)	767	587	(14,578)

Unprovided deferred tax assets, which are unprovided because they may not be recovered, are as follows:

	2014 £'000
Trading losses	2,364
Capital losses	912

20. Capital and reserves

Share Capital and Share Premium

	Share capital £'000	Share premium £'000
Ordinary share capital		
703,000 authorised shares of £1 each issued during the period	703	64,647

On 4 March 2014, 50,000 ordinary shares were issued at par to Greenwhitestar Holding Company 2 Limited. On 10 April 2014, a further 653,000 shares were issued for consideration of £65.3m as part of the transaction to acquire the Eddie Stobart Logistics Group, as described in note 3.

Nature and Purpose of Reserves

- (i) Translation reserve - represents the gains and losses arising on retranslating the net assets of overseas operations into Sterling. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.
- (ii) Hedge reserve - the hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flows.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

21. Employee Benefits – Pension Schemes

Defined Benefit Pension Schemes

UK

Prior to acquisition by the Group, companies within the Automotive division operated a pension scheme under which members accrued defined benefits until April 1992 and then defined contributions with a guaranteed minimum pension underpin until April 1997. These elements of the scheme are now closed, but members remain entitled to the benefits earned. The latest actuarial valuation was as at 6 April 2010 and was carried out by an independent qualified actuary using the projected unit method. At the date of the latest actuarial valuation, the realisable value of assets was £10.5m, which was sufficient to cover 86% of the value of benefits that had accrued to members, measured on the continuing basis. Total contributions payable for the period ended 30 November 2014 amounted to £301,000 and £17,000 contributions were due to the scheme at 30 November 2014.

Overseas

There are small defined benefit schemes operating in Benelux. The total net liability of these schemes is £52,000 and the present value of funded obligations under these schemes is £300,000.

Accounting assumptions used in respect of defined benefit pension schemes

The principal assumptions for the purpose of the actuarial valuations used in these Consolidated Financial Statements were as follows:

	30 November 2014
Major assumptions:	%
Discount rate for scheme liabilities	3.6%
Rate of inflation (RPI)	3.3%
Rate of inflation (CPI)	2.3%
Mortality table used	S1PA, CMI_2014, 1% per annum long-term rate of improvement, no age rating
Expected rate of return on plan assets	3.6%

Sensitivities to principal assumptions

- (i) Discount Rate - a discount rate of 3.6% has been used in evaluating the value of liabilities of the pension schemes as at 30 November 2014. A change of 0.25% to this rate would have changed the value of pension fund liabilities at that date by approximately £650,000 before tax.
- (ii) Rate of Inflation - an RPI of 3.3% has been used in evaluating the value of liabilities of the pension schemes as at 30 November 2014. A change of 0.25% to this rate would have changed the value of pension fund liabilities at that date by approximately £125,000 before tax.
- (iii) Mortality Assumption: long term rate of improvement - a 1% annual rate of improvement has been used in evaluating the value of liabilities of the pension schemes as at 30 November 2014. A change to 0.5% or 1.5% in this rate of improvement would have changed the value of pension fund liabilities at that date by approximately £300,000 before tax

The disclosures provided below are an aggregation of the Group's defined benefit pension schemes.

Amounts recognised in the Consolidated Balance Sheet

	2014
	£'000
Present value of funded obligations	(14,047)
Fair value of plan assets	11,106
Net liability recognised in the Consolidated Statement of Financial Position	(2,941)

Amounts recognised in the Consolidated Income Statement

	Period ended 30 November 2014
	£'000
Interest expense	340
Expected return on plan assets	(276)
Amounts recognised as a finance expense in the Consolidated Income Statement	64

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

21. Employee Benefits – Pension Schemes (continued)

Amounts recognised in the Consolidated Statement of Comprehensive Income

	Period ended 30 November 2014 £'000
Actual return greater than the expected return on plan assets	608
Experience gains arising on scheme liabilities	76
Losses recognised in respect of changes in assumptions underlying the present value of the scheme liabilities	(1,332)
Amounts recognised in the Consolidated Statement of Comprehensive Income	(648)
Deferred tax	130
Actuarial losses recognised in the period	(518)
Cumulative net losses recognised	(518)

Changes in the present value of defined benefit obligations and the fair value of plan assets are as follows:

	2014 £'000
Defined benefit obligation	
Opening defined benefit obligation	12,664
Interest expense	340
Actuarial losses	1,256
Benefits paid	(202)
Foreign currency movements	(11)
Closing defined benefit obligation	14,047
Fair value of plan assets	
Opening fair value of plan assets	10,119
Expected return	276
Actuarial gains	608
Contributions made by the Group	313
Benefits paid	(202)
Foreign currency movements	(8)
Closing fair value of plan assets	11,106

The fair value of the plan assets at the Balance Sheet date is analysed as follows:

	2014 £'000
Equity instruments	5,906
Bonds	4,477
Other (including cash)	723
Fair value of plan assets	11,106

The plan assets do not include any of the Group's own financial instruments, nor any property occupied by, or other assets used by, the Group.

The Group expects to contribute approximately £204,000 to its defined benefit schemes in the forthcoming year.

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

22. Employees and Directors

The average number of persons (including Directors) employed by the Group during the period was:

	Period ended 30 November 2014
Average monthly number of employees – continuing operations	
Drivers	2,726
Other direct staff	701
Administration and support staff	1,396
	4,823
	£'000

Staff costs for the Group during the period – continuing operations	
Wages and salaries, including payments on termination	101,422
Social security costs	9,978
Pension	2,403
	113,803

Directors' remuneration	£'000
Emoluments and benefits in kind	130
Other pension costs – defined contribution plans	11
Total directors remuneration	141

All amounts shown above are borne by subsidiary undertakings. Retirement benefits are accruing to one Director under the Group's defined contribution scheme. Emoluments paid to the highest paid director were £93,000, including pension contributions of £11,000.

23. Operating Lease Arrangements

At the period end the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	2014	
	Plant and equipment £'000	Land and buildings £'000
within 1 year	29,654	22,023
between 1 and 5 years	34,661	74,194
due after 5 years	1,114	161,974
	65,429	258,191

Following the acquisition of the business from Stobart Group Limited there are a number of property leases that are due to be assigned or novated from Stobart Group to Eddie Stobart Logistics and also from Eddie Stobart Logistics to Stobart Group. In the analysis shown above, for lease commitments, and below for rental income, these leases have been treated as if the assignment or novation had been completed. Until the assignment or novation is completed on these leases, Stobart Group is required to reimburse the Group for any costs incurred. Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2014 Land and buildings £'000
Within 1 year	2,359
Between 1 and 5 years	10,289
	12,648

Notes to the Consolidated Financial Statements (continued)

for the period ended 30 November 2014

24. Related Party Disclosures and Ultimate Parent Undertaking

During the period the Company entered into commercial transactions with related parties as shown in the table below.

	Description of related party	Sales to related party £'000	Purchases from related party £'000	Balance owed by related party £'000	Balance owed to related party £'000
Stobart Group Limited	a	2,120	312	517	(87)
Stobart Biomass Transport Limited	a	9,669	649	1,476	-
Stobart Biomass Products Limited	a	86	1	22	-
Stobart Promotions Limited	a	83	25	17	-
London Southend Airport Limited	a	433	-	145	-
Stobart Rail Limited	a	559	2,581	-	(293)
Stobart Air Limited	a	5	-	1	-
Stobart Properties Limited	a	56	364	17	-
Westlink Limited	a	184	151	49	(47)
Stobart Business Services Limited	a	36	6	10	-
Stobart Claims Management Limited	a	-	69	-	(17)
Moneypenny Limited	a	3	-	1	-
Stobart Brands Limited	a	-	52	-	(5)
Stobart Insurance Service Limited	a	-	380	-	(172)
Westlink Holdings Limited	a	-	1,233	-	(122)
Ansa Logistics Limited	a	-	-	2	-
WA Developments International Limited	b	19	10	3	-
Apollo Air Services Limited	b	-	16	-	-
AstSigns Limited	c	-	124	-	(38)
Mega Pink Horse Limited	c	11	-	8	-
Oakfield Manor Estates Ltd	c	25	81	-	(10)
WS Transportation Limited	c	396	-	220	-
DBAY Advisors Limited (DBAY)	d	-	1,273	-	(792)
Greenwhitestar Holdings Company 2 Limited	e	-	2,003	-	(24,872)

The nature of the relationship and the transactions entered into with the related parties are:

- Stobart Group Limited and its subsidiary undertakings. Following the sale of the company by Stobart Group Limited, there remain a number of areas where the Group continues to trade with the Stobart Group Limited and its subsidiaries. These transactions represent both transitional arrangements where the two groups continued to rely on shared services following the sale and recharges were made by respective parties to recover costs, and in respect of ongoing trading relationships which are expected to continue into the future.
- WA Tinkler is a director of Stobart Group Limited, which has an associate interest in the Group, and has interests in shares in the companies indicated. During the period, the Group paid rent to WA Developments International Limited and recharged staff costs and expenses and Apollo Air Services Limited provided passenger transport services.
- W Stobart is a director of the Company and has interests in shares in the companies indicated. During the period, the Group made purchases relating to the provision of branded products and vehicle advertising from AstSigns Limited, provided haulage services to Mega Pink Horse Limited, Oakfield Manor Estates Limited and WS Transportation Limited and made purchases of haulage services from Oakfield Manor Estates Limited.
- DBAY Advisors Limited is the fund manager of DouglasBay Capital Fund II LP, which is beneficially interested in the Company. During the period the Group made purchases in respect of management services provided by DBAY Advisors Limited.
- Greenwhitestar Holding Company 2 Limited (GWHC2) is the Company's immediate parent company. GWHC2 holds the Eurobond note described in note 17, which together with the accrued PIK note interest represent a balance of £24,762,000 and GWHC2 has advanced to the Company a further amount of £110,000.

The Group's ultimate parent undertaking is disclosed in note 34 to the Company's Financial Statements

Notes to the Consolidated Financial Statements (continued)
for the period ended 30 November 2014

25. Contingent Liabilities

There is an unlimited bank cross guarantee arrangement between the Company and its fellow subsidiary undertakings. The maximum potential liability at 30 November 2014 was £160.6m.

26. Capital commitments

At 30 November 2014, the Group had commitments of £3.7m.

Company Balance Sheet

as at 30 November 2014

	Note	2014 £'000
Fixed assets		
Investments	29	65,300
Current assets		
Debtors and net current assets	30	160
Debtors: amounts falling due after more than one year	30	24,776
Creditors: amounts falling due after more than one year	31	(25,212)
Net assets		65,024
Capital and reserves		
Share capital	32	703
Share premium	32	64,647
Profit and loss account	32	(326)
Total Shareholders' funds	32	65,024

This Balance Sheet should be read in conjunction with the notes to the Company Balance Sheet on pages 47 to 49 and the notes to the Consolidated Financial Statements on pages 19 to 45.

The Financial Statements on pages 46 to 49 were approved by the Board of Directors on 28 April 2014 and were signed on its behalf by:



William Stobart
Chief Executive Officer



David Meir
Chief Financial Officer

Notes to the Company Balance Sheet

for the period ended 30 November 2014

27. Principal Accounting Policies

These Financial Statements for the Company have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the UK (UK GAAP). The Directors consider that the accounting policies set out below are suitable, are supported by reasonable judgements and estimates and have been consistently applied except where stated below. The going concern basis has been applied in these accounts. A summary of the more important accounting policies is set out below.

In the Company's Financial Statements, dividends received and receivable are credited to the Company's Profit and Loss Account. In accordance with Section 408(4) of the Companies Act 2006, the Company is exempt from the requirement to present its own Profit and Loss Account. The result for the financial period of the Company is disclosed in note 32 to these Financial Statements.

Cash Flow Statement

The Company is exempt under the terms of Financial Reporting Standard 1 'Cash Flow Statements', from the requirement to publish its own Cash Flow Statement, as its cash flows are included within the Consolidated Cash Flow Statement of the Group.

Investments

The Company's investments in shares in Group companies are stated at cost less provision for impairment.

Cash and Cash Equivalents

In the Balance Sheet, cash includes cash and cash equivalents excluding bank overdrafts.

Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is measured on an undiscounted basis.

28. Employees and Directors

Directors' remuneration is shown in note 22. Other than directors, the Company has no direct employees.

Notes to the Company Balance Sheet (continued)

for the period ended 30 November 2014

29. Investments in Subsidiary Undertakings

The cost and provisions for impairment of the Company's investments are shown below:

	Subsidiary undertakings £'000
Cost and net book value	
At 30 November 2014	65,300

The subsidiary undertakings of the Company, and those of the Group whose results or financial position, in the opinion of the Directors, principally affect the consolidated results, are set out below. The Company has taken advantage of Section 410 (1) and (2) of the Companies Act 2006 not to disclose all subsidiary undertakings on the basis that such information would be of excessive length.

Company name	Business activity	Proportion of ordinary share capital held		Country of incorporation
		Directly	Indirectly	
Subsidiary undertakings				
Greenwhitestar Acquisitions Limited	Holding company	100%		England
Eddie Stobart Logistics Limited	Holding company		100%	England
Stobart Rail Freight Limited	Contract logistics		100%	England
O'Connor Container Transport Limited	Contract logistics		100%	England
O'Connor Container Storage Limited	Contract logistics		100%	England
Westlink Storage & Shipping Company Limited	Contract logistics		100%	England
Stobart Transport & Distribution Limited	Holding company		100%	England
Autologic Holdings Limited	Holding company		100%	England
Eddie Stobart Limited	Contract logistics		100%	England
Eddie Stobart Group Limited	Holding company		100%	England
Eddie Stobart (Ireland) Limited	Contract logistics		100%	Ireland
Eddie Stobart (Ireland) Driver Services Limited	Contract logistics		100%	Ireland
Eddie Stobart Belgium NV	Contract logistics		100%	Belgium
Stobart Truckstops Limited	Contract logistics		100%	England
Walon Limited	Contract logistics		100%	England
Stobart Automotive Limited	Holding company		100%	England
Sensible Automotive Limited	Contract logistics		100%	England
Autotrax Limited	Property investment		76%	England
Stobart Automotive Europe BV	Contract logistics		100%	The Netherlands
Stobart Automotive Belgium NV	Contract logistics		100%	Belgium
Stobart Automotive CZ s.r.o.	Contract logistics		100%	Czech Republic
Walon BV	Contract logistics		100%	The Netherlands
Joint Ventures				
Transport-Service Klingels-Willems NV	Contract logistics		50%	Belgium
Vehicle Logistics Corporation BV	Contract logistics		50%	The Netherlands
Transport Service & Releasing Iberia S.L.	Contract logistics		33%	Spain

30. Debtors

	2014 £'000
Amounts falling due within one year:	
Amounts owed by Group undertakings	160
Amounts falling due in more than one year:	
Amounts owed by Group undertakings	22,759
Accrual for interest on loans from Group undertakings	2,017
	24,776

Notes to the Company Balance Sheet (continued)

for the period ended 30 November 2014

30. Debtors (continued)

The Company has provided a loan facility to its subsidiary undertaking, which together with interest accrued at a fixed rate per annum, is repayable in full in April 2022.

31. Trade and Other Payables (Non-Current)

	2014 £'000
Amounts owed to Group undertakings	110
Eurobond Loan	22,759
Accrual for interest on Eurobond loan	2,003
Corporation tax	340
	25,212

The Company issued Loan Notes of £22.8m on 10 April 2014. The Loan Notes attract a fixed rate of interest that is converted to PIK Notes on each anniversary of the issue. The PIK Note attract the same rate of fixed interest as the loan notes, which is converted into further PIK Notes on each anniversary of the issue. The Loan Notes and PIK Notes are repayable in April 2022.

32. Reconciliation of Movement in Shareholders' Funds

	Share capital £'000	Share premium £'000	Profit and loss account £'000	2014 Total Shareholders' funds £'000
Share capital issued in the period	703	64,647	-	65,350
Loss for the financial period	-	-	(326)	(326)
At 30 November 2014	703	64,647	(326)	65,024

On 4 March 2014, 50,000 ordinary shares were issued at par to Greenwhitestar Holding Company 2 Limited. On 10 April 2014, a further 653,000 shares were issued for consideration of £65.3m as part of the transaction to acquire the Eddie Stobart Logistics Group, as described in note 3.

As permitted by Section 408(4) of the Companies Act 2006, the Parent Company's Profit and Loss Account has not been included in these Financial Statements. The Parent Company's loss after tax for the financial period was £326,000.

33. Related Party Transactions

As a wholly owned subsidiary of Greenwhitestar Topco Limited and, in turn Greenwhitestar Holding Company 1 Limited, for which consolidated accounts are prepared, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the Group headed by Greenwhitestar Holding Company 1 Limited.

34. Ultimate parent undertaking

The immediate parent undertaking is Greenwhitestar Holding Company 2 Limited. The ultimate parent undertaking for which group financial statements are drawn up and of which the company is a member is Greenwhitestar Holding Company 1 Limited, incorporated in the Isle of Man. Greenwhitestar Topco Limited, also incorporated in the Isle of Man, is deemed to be the controlling party of Greenwhitestar Holding Company 1 Limited. Copies of the financial statements can be obtained from the Company Secretary, Greenwhitestar UK Plc, Stretton Green Distribution Park, Appleton, Warrington, Cheshire, WA4 4TQ.